

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
WR Grace, et al.)	
)	Case No. 01-1139 – 01-1200 (JKF)
Debtor.)	
)	(Jointly Administered)
)	

**VERIFIED STATEMENT IN CONNECTION WITH THE REPRESENTATION OF
ENTITIES AS REQUIRED BY REVISED ORDER REQUIRING FILING
STATEMENTS PURSUANT TO FED.R.BANKR.P. 2019**

John W. Kim, hereby makes the following verified statement (the “Statement”) pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure:

I am an associate with the law firm of Nossaman, Guthner, Knox & Elliot LLP (“NGKE”), in the office located at 445 S. Figueroa Street, 31st Floor, Los Angeles, California 90071. NGKE’s business telephone number is (213) 612-7800. NGKE has been retained as bankruptcy counsel for Hearthside Residential Corporation (“Hearthside”) as well as its corporate affiliate Signal Landmark (“Signal”), the Operating Industries Steering Committee (“OII Committee”), and members of the OII Committee with respect with to their claims unrelated to those of Hearthside and Signal (collectively, the “Creditors”). The following exhibits are not attached and have not been electronically filed, but have been submitted to the Clerk of the Court on compact disk and may be accessed by parties who obtain Court order authorizing access.

1. First, an actual but blank Notice of Appearance and Request for Service of Notices and Other Documents confirming that NGKE is entitled to act on behalf of creditor Hearthside Residential Corporation (its corporate affiliate Signal Landmark). Second, a blank

and unredacted Special Power of Attorney agreement is referenced whereby NGKE is entitled to act on behalf of the members of the OII Committee to the extent such agreements are in the possession or custody of NGKE. Third, relevant portions of an actual copy of the "Operating Industries, Inc. Site Steering Committee Agreement," as amended from time to time (the "OII Agreement"), whereby the OII Committee is entitled to act on behalf of its members. (However, such portions of the OII Agreement is not attached to the extent that it may be subject to the attorney-client privilege although such document will be furnished if determined to be necessary and subject to such conditions as will preserve any applicable privilege). Moreover, one of the debtors herein was a member of the OII Committee and presumably is in possession of such documents in existence during the period of its membership). The foregoing documents are collectively referred to as Exhibit "A". NGKE has engaged William D. Sullivan, Esq. with the law firm of Buchanan Ingersoll Professional Corporation, located at The Nemours Building, Suite 1110, 1007 North Orange Street, Wilmington, Delaware 19801-1236, as local counsel in connection with this bankruptcy case.

2. An excel spreadsheet in electronic format containing the required data, including but not limited to: (a) the name and address of each Creditor, (b) a reserved column and (c) the form of agreement empowering NGKE to act of behalf of each Creditor *or* the agreement empowering the OII Committee to act on behalf of its members. As of the date of this filing, each of the Creditors' claims are in part unliquidated (as more fully set forth in their proofs of claims) and such claims arose beyond the one year period prior to the filing of the Debtors' petition for relief. The forgoing spreadsheet is referred to as Exhibit "B."

3. With respect to the pertinent facts and circumstances regarding the employment of NGKE on behalf of the Creditors and the OII Committee's empowerment to act for its members, the following representations are made:

(a) The OII Committee is a coalition formed by various member companies, who have associated themselves therein and which members are commonly referred to as "Member Companies." The Member Companies, who are considered by the United States Environmental Protection Agency to be potentially responsible parties under applicable environmental laws entered into an Operating Industries, Inc. Site Steering Committee Agreement dated December 31, 1986, as amended from time to time thereafter, wherein the Member Companies have agreed amongst themselves to, among other things, allocate the costs for cleanup of hazardous wastes on the real property located in Monterey Park, California and to pursue certain claims against other "potentially responsible parties" in connection with the OII Site. NGKE is authorized to serve as bankruptcy counsel for the OII Steering Committee pursuant to, among other things, Section 5.4 of the OII Agreement.

(b) In addition to the engagement for bankruptcy cases established on a case by case basis pursuant to the OII Agreement, various Member Companies have authorized Allan H. Ickowitz, Esq., a partner at NGKE, with special power of attorney authorizing NGKE to execute and file any Proof of Claim, enforce rights for recovery of costs and expenses, reimbursement, indemnification and/or contribution against any of the Debtors in connection with this bankruptcy case.

(c) NGKE does not presently own, nor has it previously owned, any claims or interests against the Debtors.

4. NGKE will file an amended and supplemental statement setting forth any material changes in the facts contained in this Verified Statement should any changes occur.

5. This Statement is filed solely to comply with the format required by the Revised Order Requiring Filing of Statements Pursuant to Fed.R.Bank.P. 2019, which was entered on October 22, 2004. Exhibits "A" and "B", as defined in the Order, have not been scanned and are available from the Clerk upon motion to and order of the Court.

Nossaman, Guthner, Knox & Elliott, LLP
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Telephone (213) 612-7800
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DATE: December 17, 2004

/s/ John W. Kim
Allan H. Ickowitz (Cal. Bar No. 80994)
John W. Kim (Cal Bar. No. 216251)

and

Buchanan Ingersoll
Professional Corporation
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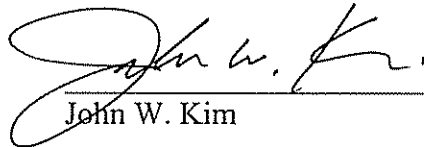
DATE: December 17, 2004

/s/ William D. Sullivan
William D. Sullivan (No. 2820)

**DECLARATION OF JOHN W. KIM OF
NOSSAMAN GUTHNER KNOX & ELLIOTT, LLP**

I, John W. Kim, declare under penalty of perjury that I have read the foregoing statement and that it is true and correct to the best of my knowledge, information, and belief.

Dated: December 16, 2004



John W. Kim